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## Ripple Effect of More Than One New Ferry



**By Pat Kemp**  
**Commissioner, Alaska DOT&PF**

In your January 12 editorial, “Ripple effect,” the *Ketchikan Daily News* raised several concerns that deserve an accurate response and fuller context to be given.

Governor Sean Parnell’s commitment to Ketchikan is unwavering. Under his leadership, our administration has been a strong advocate for both the growth of the shipyard in Ketchikan, and for establishing a fund so that we can build Alaska ferries right here in Alaska.

Over the past three years, the governor has pushed hard to grow jobs and economic development in Alaska.

Short of promising Ketchikan a guaranteed shipbuilding contract at any price, he has done everything in his capacity to ensure the First City has the very best opportunity as well as the state’s full support.

Ketchikan can – and we believe will – be a major Northwest shipyard center, which will add to the diversity of its commercial base.

Since taking office, Governor Parnell has confirmed that Ketchikan will be the headquarters of the Alaska Marine Highway System (AMHS), and he has carried roughly \$140 million in marine infrastructure-related funding for Ketchikan in his budget requests to the Legislature.

This includes \$120 million in funding for the construction of new ferries, and millions more for funding the purchase of land and the old veneer mill building to act as a warehouse and berthing site in Ward Cove.

This project was necessary to allow these functions to be moved off Shipyard property and to move ahead with construction of the new assembly hall at the Shipyard.

In 2010, he directed the Department of Transportation and Public Facilities (DOT&PF) to “de-federalize” the new Alaska ferry project, specifically so the Shipyard could have the first and best opportunity to build the new Alaska Class Ferry, while having to submit a competitive and fiscally-responsible bid. DOT&PF and the governor have a strong belief the Shipyard can meet this requirement.

As Governor Parnell and I explained in person at the Ketchikan Chamber meeting, over the past year, it became clear that construction and design of a 350-foot vessel in Ketchikan would far exceed the \$120 million budgeted.

In 2006, when the project was initiated, the vessel was to be a shuttle ferry with a bow door for fast loading and unloading.

The vessel morphed into a 350-foot vessel, larger than the *Aurora* class, and smaller than a typical mainline vessel. The Legislature appropriated \$120 million to accomplish the task.

As the cost of that vessel increased, and the risk grew that an Outside shipyard would have to build the vessel, Governor Parnell stepped up and made the call to stop an over-budget vessel.

In fact, current estimates indicate that we could build these approximately 280-foot Alaska Class Ferries within budget and at a much lower cost than one 350-foot vessel. The shuttle ferries, with a modern hull form, would have better seakeeping ability than the *M/V Taku*.

We must face the facts: Alaska oil production is declining, which is resulting in a smaller state budget, a condition that may persist for the next few years. We still have an opportunity to greatly improve ferry service, get shipbuilding under way sooner, rather than later, and flatten out the increasing costs of running ferries during a time of decreasing state revenue.

Winston Churchill once said, “A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty.” Alaskans recognize the First City has great opportunities ahead of it, and that it has the full support of the Parnell administration.

As we continue to improve and grow our fleet of ferries, Governor Parnell and his administration remain committed to Ketchikan and the role it will play as the center for shipbuilding in Alaska.

The real ripple effects of building two or three smaller ferries may be the most important job-creating economic ripples Ketchikan has seen in decades.